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MECHANICAL DEPARTMENT
COUNTY OF LOS ANGELES

Biennial Report
1977 – 1979

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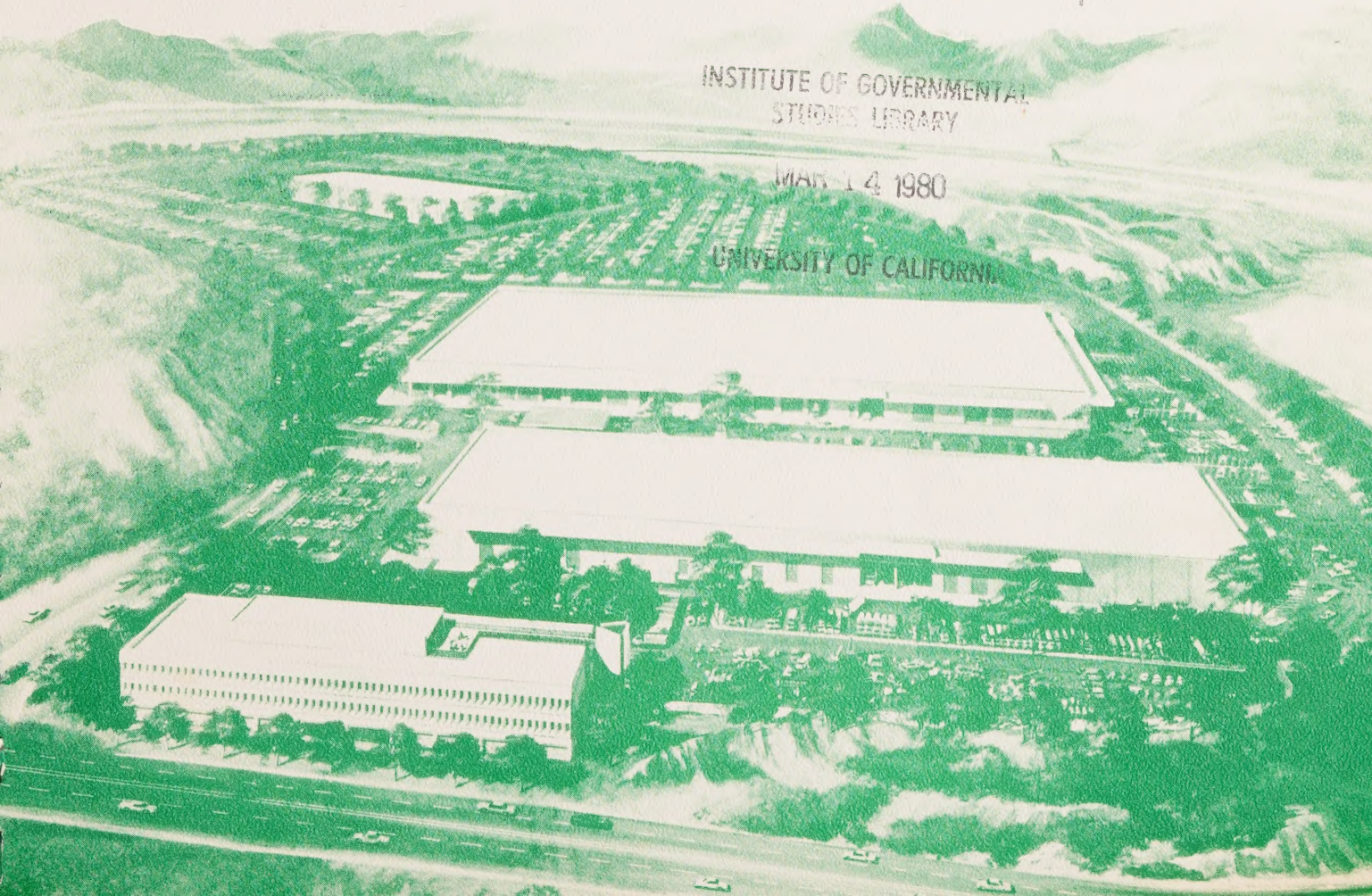

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COUNTY OF LOS ANGELES

MECHANICAL DEPARTMENT

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December 31, 1979

HONORABLE BOARD OF SUPERVISORS
383 Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

BIENNIAL REPORT 1977-1979

In accordance with Section 77 of the Administrative Code, attached is the Biennial Report for the Mechanical Department for the period July, 1977 through June, 1979.

The past biennial period was an exciting one for the Mechanical Department. We became recognized as a leader in energy conservation -- before it was fashionable, and began development of new automated management control systems for fleet service, inventory control, and facilities maintenance. It was also a period of trial and reflection with a CAO audit being released in December, 1977 recommending a large number of changes in the department, successive budget reductions despite workload increases, and the turnover of over 60% of the management cadre. The department was also involved in a number of studies ordered by your Board and conducted by the CAO regarding the feasibility of consolidating all craft positions in the County under the control of the Mechanical Department; or, of transferring Fire Equipment Mechanics either under Mechanical or Fire Department, but not leave them in both places as currently exists; or, of taking units of the Mechanical Department (Parking and Security) and together with components from other departments creating a new General Services Department.

I am especially pleased with three achievements during this period and though each is discussed in depth as a part of the report, they deserve special comment. The Mechanical Department did not overspend its budget these last two years. These were firsts for this 2,000-employee department and represented a significant change in management attitudes. The CAO audit report contained over 300 recommended changes. We have implemented or accounted for all but 48 of these suggestions in the short space of 18 months. The final 48 were only delayed because they had to follow other changes in a logical sequence. Finally, we have twice received national recognition for energy conservation. The programs we initiated have reduced the County's energy consumption by over 25% from what it was in the base years of 1973-74. We began the installation of B.E.A.S. (Building Environmental Automated System) that when fully installed will further squeeze an extra 15% from each building. Since today's utility budget exceeds $35 million, the savings will be considerable.

For the next two-year period I see this Department's largest problems and objectives all related to reduced budgets, the need for an expansion of contract services, the explosive expansion of the energy conservation programs, alternative energy sources and the like. In addition, I see no reductions in the Department's existing maintenance responsibilities and so I am committed to the rapid implementation of the related automated systems now under development. I firmly believe that the implementation of these systems will provide me with critical management data for effective preventative maintenance plus data necessary for improvements in productivity.

Since February 1979, this has been my department and, as the attached report will show, it is very diverse in its responsibilities and I am proud to be a part of its operation.

I will be happy to discuss any part of this report with each of you or your staff.

Very truly yours,

A. J. SOWA, Director
Mechanical Department

AJS:lh:bh

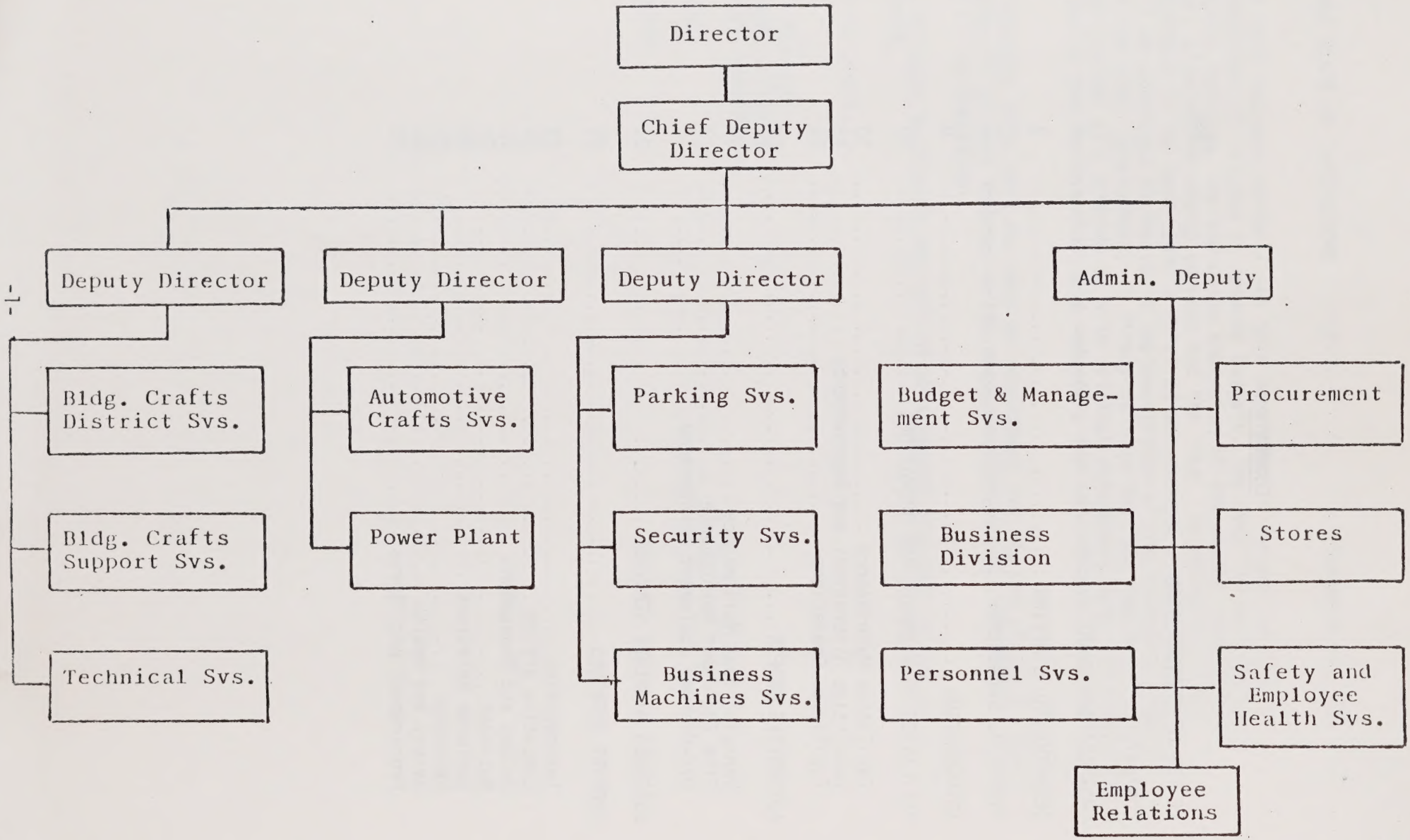
Attachment

CONTENTS

	Page
LETTER OF TRANSMISSION	
CONTENTS	
ORGANIZATION CHART	1
DEPARTMENTAL STAFFING	2
FINANCIAL STATEMENTS	3
INTRODUCTION	6
FACILITIES MAINTENANCE AND OPERATIONS	10
Facilities Maintenance	10
Facilities Alterations and Improvements	13
Facilities Operations	13
AUTOMOTIVE CRAFTS	17
Vehicle Fleet Maintenance	17
Fire Equipment Maintenance	17
Off-Highway Equipment Maintenance	18
BUSINESS MACHINES SERVICES	21
SUPPORT SERVICES	23
Introduction	23
Executive Office	23
Budget and Management	23
Business	24
Employee Relations	25
Personnel	25
Safety and Health	26
Procurement and Stores	26

MECHANICAL DEPARTMENT ORGANIZATION

As of June 30, 1979



DEPARTMENT STAFFING*

	Biennial Period			
	1977-78	1978-79	Change	Percentage
Automotive Crafts Services	290	271	-19	(-6.6)
Budget & Management Svcs.	8	11	+ 3	37.5
Building Crafts District Svcs.	612	584	-28	(-4.6)
Building Crafts Support Svcs.	335	251	-84	(-25.1)
Building Crafts Technical Svcs.	---	24	+24	---
Business	49	49	---	---
Business Machines Services	62	55	-7	(-11.3)
Design & Planning Services	16	---	-16	---
Executive Offices	15	15	---	---
Parking Services	135	98	-37	(-27.4)
Personnel Services	10	12	+ 2	20.0
Power Plant	139	139	---	---
Security Services	196	193	- 3	(-1.5)
Supply Services	38	---	-38	---
Procurement	---	21	+21	---
Stores	---	26	+26	---
TOTAL	1905*	1749*	(-156)	(-8.2)%

* Rounded to the nearest whole number.

NOTE: Departmental reorganization resulted in creation of the Procurement and Stores Divisions from the former Supply Services Division. Technical Services Division was created from the former Design and Planning Division plus elements of Support Services Division.

STATEMENT OF EXPENDITURES

	1977-78	1978-79
MECHANICAL DEPARTMENT		
Salaries and wages	$32,962,221	$33,279,854
Services and supplies	12,941,982	12,413,255
Equipment	96,246	379,921
Total Mechanical Department	$46,000,449	$46,073,030
Costs Applied	16,002,941	15,936,090
Total Mechanical Department - Net	$29,997,508	$30,136,940
Revenue	3,189,534	6,918,527
TOTAL COUNTY COST - NET	$26,807,974	$23,218,413
MOTOR VEHICLES		
Equipment - Current	$ 1,126,891	$ 1,747,130
MOTOR VEHICLES - NET	$ 1, 126,891	$ 1,747,130
UTILITIES		
Services & Supplies	$28,221,995	$31,389,602
Less transfers to other appropriations	709,931	*27,583,322
Total Utilities - Net	$27,512,064	*3,806,280
Revenue	152,461	234,169
TOTAL UTILITIES - NET COUNTY COST	$27,359,603	*$3,572,111
NET COUNTY COST - ALL BUDGETS	$55,294,468	$26,877,726

* Reflects accounting change. Portion of Utilities cost transferred to Revenue Sharing Funds for FY1978-79 only.

REIMBURSABLE SERVICES

COST APPLIED	1977-78	1978-79	
County Departments			
Services Rendered	$ 5,671,323	$ 8,191,192	(1)
Auto Service	9,127,804	7,410,341	(2)
	$14,799,127	$15,601,533	
Capital Projects	831,223	307,936	
Other	372,591	26,621	
TOTAL COSTS APPLIED	$16,002,941	$15,936,090	

STATEMENT OF REVENUES

REVENUE	1977-78	1978-79	
Revenue from Use of Money and Property	$ 1,113,636	$ 1,233,867	
Charges for Current Services	1,900,437	5,350,663	(3)
Other Revenues	175,461	333,997	
TOTAL REVENUE	*$ 3,189,534	*$ 6,918,527	

* Excludes Music Center revenues which are not part of General Fund.

(1) Due to change in State regulations, Departments which were previously "memo billed" were directly billed. Billing to DPSS responsible for major portion of increase. Auditor's JV 6-1056 transferred $323,018 from Cost Applied to Revenue for charges to Enterprise Fund Accounting Hospitals for FY1978-79.

(2) Auditor's JV 6-1056 transferred $192,883 from Cost Applied to Revenue for auto services billed to the Enterprise Fund Accounting Hospitals for FY1978-79.

(3) Additional billings in the amount of $2,537,715 posted by Auditor's JV 6-961 to reflect the difference between what was actually billed and what we would have billed to the Enterprise Fund Accounting Hospitals. Also Auditor's JV 6-1056 transferred $323,018 from Cost Applied to Revenue (see #1 above).

Additional billing by Auditor's JV 6-961 of $52,697 reflects difference of Group II and Group III motor vehicle rates for purpose of Enterprise Fund Accounting. Auditor's JV 6-1056 transferred $192,883 to Revenue (see #2 above).

INTRODUCTION

OVERVIEW

This biennial period was an exciting and challenging one for the Mechanical Department with primary attention going to the expansion of our energy management programs, the implementation of major changes in Departmental operations, assisted in part by the findings in a major management audit released by the Chief Administrative Office in December, 1977, the commitment to begin the automation of our clerk-dependent financial and data systems, the development of a new management cadre to replace the 60% either transferred or retiring during this two-year period, and finally, making the adjustments necessary to meet service needs in the new Proposition 13 budget environment.

RESPONSIBILITY

The Mechanical Department is responsible for providing the following services:

Maintains, repairs, and makes alterations to County-owned and leased facilities, including office furniture and appurtenant building equipment. Alterations and construction work is limited to legal Force Account limitations (currently $6,500 for labor and $3,500 for materials).

Maintains and repairs County vehicles and other automotive equipment. Provides pool transportation for County Departments and requisitions new vehicles.

Operates and maintains various central heating and air conditioning plants.

Maintains and repairs business machines varying from typewriters to complex bookkeeping machines and offset prining presses.

Moves County Departments into new facilities.

Operates public and employee parking facilities and regulates use of various unstaffed County parking lots.

Provides building and various special security services.

Pays electric, gas, and water bills for the County.

CHANGES IN DEPARTMENTAL OPERATION

The period of 1977-79 was marked by extensive reorganization and major redirection of the Mechanical Department. A major management audit was performed by the Chief Administrative Office at the request of the Mechanical Department and was released in December of 1977. The audit clarified a number of existing departmental situations and prompted a number of changes in operational procedures. The Board of Supervisors has received quarterly progress reports concerning the implementation of Audit Recommendations, but a summary of significant audit actions during the period is appropriate for this biennial report.

Our initial concern was in the areas of warehousing; inventory management; procurement controls; security of facilities, materials and equipment; and organizational/administrative improvements. Major specific actions resulting from this concern have been:

- development of our automated Facilities Maintenance System

- implementation of a computerized fleet management information system that will eventually involve the use of card-activated, magnetic tape output, fuel dispensing/control equipment

- establishment of a more cost-effective system of selecting, purchasing, and replacing business machines

- establishment of a new Procurement Division and a new Stores Division in place of the former Supply Services Division; consolidation of the Programs and Standards Section with the Design and Planning Section to form a new Technical Services Division

- comprehensive reorganization of Automotive Services Division with resulting productivity improvements

- development and implementation of an improved equipment security system accompanied by implementation of a new employee identification badge system

- improved work planning and scheduling

- improvements in administrative support areas

The changes in department operations have been so comprehensive that many of them could not be effectively acted upon until other related systems recommendations had been implemented. As an example, it was necessary to centralize all department procurement operations in the Supply Services Division before the further step of creating the new Procurement and Stores Divisions was practical. Improvement of department productivity and performance as a result of these changes is already visible.

PRODUCTIVITY IMPROVEMENT AND REDUCTION OF SERVICE

A prime challenge to the Mechanical Department during this period has been to provide needed services at a satisfactory level with reduced resources. The Department was given target budget allocations which translated into no increases in personnel, services and supplies, or equipment.

The only way to meet this directive was to increase productivity without additional allotments. This translates into a continuous effort by Department management to utilize available resources to the fullest extent through the development of better ways to plan, schedule, accomplish, measure, and control the work expected and requested of the Department. A sharp focus on utilization of program personnel and equipment resulted in numerous improvements in organization structure and productivity to the extent that our resources allowed. The computerized building monitoring system (Building Crafts), expanded use of electronic equipment (Security Services), the new organizational forms (Parking Services and Automotive Crafts) are examples which are more fully detailed in later sections of this report. The area of outside service contracts for activities traditionally performed within the Department is being investigated. Auto parts procurement, security, and parking are under consideration for such action.

Despite substantial productivity improvements, the essential requirement to remain within budget limitations forced us to set priorities in the maintenance of County facilities and services to County departments. Although we received staffing and allowances for new facilities and services, target budget allocations would reduce our total staffing and allowances to the prior year level. Readjustment of staff and resources committed to prior year assignments became inevitable. The report sections devoted to individual programs discuss the consequences of such necessary services and maintenance reductions.

THE CETA CONTRIBUTION

The contribution made during this period by participants in the CETA Program was a vital one. Stated simply, the allocation of nearly 250 CETA items during a period when the permanent skilled work force had been reduced by nearly that same number allowed the Department to remain operational. Many of the CETA items became functionally integrated into the units in which they were located since the services they provided directly complemented the services provided by permanent employees in the same units. Because of the rules governing the CETA Program, and because of the need to continue some of the functions performed by these employees, the Department has requested that permanent items be budgeted to replace a number of CETA allocations.

ENERGY CONSERVATION ACTIVITIES

The Department became increasingly involved in various activities concerned with County energy conservation during this period.

ENERGY CONSERVATION ACTIVITIES (Continued)

Inflation has increased the dollar amount of the Energy Budget for the energy supplies used by County departments, but conservation measures and controls introduced by the Mechanical Department have reduced to a measurable degree the total amount of energy used by the County. The Department is requesting budgeting to continue additional energy conservation activities.

We are particularly proud of our activities in this area including an automated building environmental control system (BEAS), our Facilities Maintenance System, solar heating units, lower voltage lighting system replacements, and other conservation measures discussed more fully under the Department's various programs.

WHAT'S NEXT

For the future, energy continues to be a highest priority. In this next biennial period we anticipate considerable efforts in alternative vehicle fuels (Gasohol, batteries, etc.), and to reduce our high pressure central power plants to more efficient low pressure. In addition, we are involved with public utilities in the possibility of co-generating power in several of our power plants. Budget restrictions won't go away, and so the Mechanical Department must continue its accelerated drive toward automated data systems for maintenance, business, and budgetary guidance. Service demands continue to increase so that finally, we must monitor and improve our training programs so that the Department can continue to produce both motivated and highly qualified individuals at all of its varied levels.

FACILITIES MAINTENANCE AND OPERATIONS

This first major program of the Mechanical Department is comprised of three sub-programs: Facilities Maintenance (I-A maintains and repairs County facilities to enable their effective and safe use by County employees and the public, and to protect the County's capital investment. Facilities Alterations and Improvements (I-B) provides needed fabrication, installation and alterations services for County facilities and departments within legal force account limitations. Facilities Operations(I-C) is concerned with operating County Central Heating and Refrigeration Plants and with providing various security and parking services. The program also provides special craft services to County departments for moving/relocating services, dedications and ceremonies.

FACILITIES MAINTENANCE (I-A)

This sub-program:

- services and maintains County-owned and leased facilities
- maximizes building and equipment life
- minimizes major repair costs through scheduled preventive maintenance
- provides a safe and effective environment for the transaction of public business by employees and the public

Statistics

Costs and Appropriations	1977-78	1978-79
Gross Appropriations	$20,317,008	$21,614,541
Costs Applied	1,669,793	3,102,554
Net Appropriation	18,647,215	18,511,987
Revenue	148,761	3,163,359
Net County Cost	18,498,454	15,348,628
Budgeted Positions	791.8	800.3*

Unit Cost	1977-78	1978-79
Appropriation	$20,317,008	$21,614,541
Square Feet Maintained	20,039,976	20,039,976
Square Foot Unit Cost	1.01	1.09

*This was not an increase in the Department's budgeted positions, but a shift of 8.5 existing positions from one program, Facilities Alterations and Improvements to this program.

DISCUSSION

WORKLOAD

Building square footage to be maintained by this program remained practically constant at slightly over twenty million square feet between FY 1971-72 and FY 1977-78. During this same period, various cuts, curtailments and freezes resulted in the Building Crafts Districts and Support Divisions beginning FY 1977-78 with a loss of 142.3 positions from FY 1971-72 staffing. In short, at the beginning of this biennial period, the workload was the same as it had been the previous five years, but the work force available to perform the work had been reduced 13.3 per cent. At the same time, the additional workload associated with the high maintenance requirements of the Men's Central Jail and the Santa Monica and the Los Angeles City Beaches had to be absorbed with no increase in staffing.

One of the reasons cited during this biennial period for not increasing our maintenance staff was that the "Space Reduction Program", once instituted, would reduce our maintenance workload. Just the opposite occurred during the period of this report. The space the County has given up is in leased facilities for which we had little or no maintenance responsibility. Departments moving out of leased buildings were moved to new County-owned facilities such as the LeSage and Ferguson Buildings where we have full maintenance responsibility. The "Space Reduction Program" not only adds to the maintenance workload, it also adds to the Special Services workload which has responsibility for moving the departments involved and it adds to the Alterations and Improvements workload which makes the many alterations required to prepare new work areas.

MANAGEMENT EFFORTS - PRIORITIZING WORKLOAD

Departmental approach to the maintenance of County facilities and equipment in 1977-79 has been two-fold. Program Improvement, more maintenance per dollar and per man-hour, has been one. The second and more immediate approach taken early in 1977-78 was the identification of all County facilities as either Priority I or Priority II facilities.

Priority I facilities must receive adequate service because of the nature of the service they provide to the public. These facilities received the approximate level of maintenance provided all County departments during FY 1975-76. Priority II facilities received service dependent upon the availability of personnel after the needs of Priority I facilities had been met.

MANAGEMENT EFFORTS - REORGANIZATION

Concern with Program Improvement and the transfer of technological advances to Mechanical Department operations resulted in creation of a new Technical Services Division in April 1978. This new division combines the programs and standards functions which were a responsibility of the Building Crafts

Support Services Division with the activities of the former Design and Planning Division.

Information System

One of the concerns of Technical Services is the new Facilities Maintenance Information System which schedules and monitors all maintenance work activity for the Building Crafts. Standard preventive maintenance tasks have been developed for each piece of equipment requiring preventive maintenance in 120 buildings located in District 4. This information is loaded into the computer which prints the preventive maintenance Work Orders. At present, Work Orders are being issued for work in 75 buildings. Completion date for the remaining buildings is September 1, 1980. Activity reporting for system monitoring will begin September 1, 1980.

A portion of the system to track both scheduled and unscheduled repair and all alterations and improvements is in the development stage. All buildings serviced by the Mechanical Department are scheduled to be included in the system by September 1, 1980.

Energy Usage Control

The Building Environmental Automation System, BEAS, is also a Technical Services responsibility. This system monitors and controls the environment in a building by controlling the heating, ventilating and air conditioning equipment. It is also tied into the fire and intrusion alarm systems. An outstanding achievement of the system is in the area of energy conservation. A study showed energy savings of 26% through manual effort as against 54% in BEAS controlled buildings.

Division staff has been involved in the installation and operation of the BEAS system since its initiation. The system is now in operation in four County buildings. Thirteen buildings are currently being retrofitted with BEAS sensors, and a total of ninety buildings will be on line in 1982.

The Mechanical Department Energy Conservation Program is a Technical Services responsibility which extends beyond the Department. The Division provides recommendations on methods, procedures, materials and standards to the CAO, Mechanical Department management and Energy Advocates of other County departments in support of County energy conservation activities. The unit does energy conservation research and development, monitors energy consumption by departments, and prepares periodic reports on County energy consumption.

Service Level Limitations

During the time period of this report, maintenance services for County buildings and property have been provided to the fullest extent possible within the limitations a severely curtailed budget allowed. The level of service we were able to provide within these limits is primarily of a priority needs or

Service Level Limitations (continued)

problem solving nature rather than as a total preventive maintenance program. County facilities are heavy use buildings with high maintenance demands. This limited maintenance program will keep the buildings operating, but may accelerate their eventual deterioration.

FACILITIES ALTERATIONS AND IMPROVEMENTS (I-B)

This sub-program:

- decreases unsafe building conditions
- prolongs the life of County facilities
- improves the working environment

Statistics

Costs and Appropriations	1977-78	1978-79
Gross Appropriation	$2,291,660	$1,460,958
Costs Applied	696,506	413,504
Net Appropriation	1,595,154	1,047,454
Revenue	226,715	107,827
Net County Cost	1,368,435	939,627
Budgeted Positions	98.2	27.3

DISCUSSION

Staffing of this program is dependent upon the availability of funds in other County department budgets for alterations and improvements in their facilities.

The serious lack of personnel in the Facilities Maintenance Program plus the financial situation in the County resulted in no increase in the Alterations and Improvements Program in 1977-78. The FY 1978-79 Budget provided 27.3 positions to do alterations and improvements work, which was a decrease of 82.2 positions from prior years.

A great deal of this type of work, although necessary, was not done in FY 1977-78. Even more went undone in FY 1978-79.

FACILITIES OPERATIONS (I-C)

This sub-program:

- moves County departments
- prepares dedications and ceremonies areas
- monitors temperature, lighting and sewage control
- provides building security to protect against damage or theft of property

- controls building traffic and crowds
- maximizes parking lot usage while lowering operational costs

Statistics

Costs and Appropriations	1977-78	1978-79
Gross Appropriation	$8,026,415	$10,243,797
Costs Applied	1,815,927	2,920,315
Net Appropriation	6,210,448	7,323,482
Revenue	928,215	1,819,665
Net County Cost	5,282,273	5,503,817
Budgeted Positions	527.6	460.3

Indicators of Element Workload

	1977-78	1978-79
Parking Facilities (Staffed)	30	30
Building Security Assignments	116	120
Power Plants	16	17

DISCUSSION

Divisions concerned with the operation of County facilities during this biennial period shared certain experiences. These divisions lost positions through cuts, curtailments and freezes but experienced no decrease in workloads. Budgeted staffing fell far short of the personnel needed to cover all parking and security assignments ordered by the Board. Fortunately, the Board-ordered no-layoff policy and the extensive use of the C.E.T.A. program enabled parking and security commitments to be met in large measure.

As far as Parking Services and Security Services are concerned, the availability of C.E.T.A. personnel alleviated what would have been an impossible workload problem. Without these workers, significant amounts of the services provided during 1977-79 would not have been available.

PARKING SERVICES

For Parking Services, staffing cuts increased the possibility of theft and vandalism at various County lots and the risk of revenue loss. It was necessary to cut staff to an absolute minimum at all staffed parking lots. Various techniques were employed to remain within the total number of positions allocated to the Division. As an example, the lot cleaning crew was reduced below maintenance level to offset the positions necessary to maintain new assignments like the LeSage Complex parking lot and the Inglewood Courts parking lot.

PARKING SERVICES (continued)

A primary concern of Parking Services was to continue full-time coverage at revenue producing lots. Inability to provide coverage until such lots close results in a substantial revenue loss to the County. Because of this priority, non-revenue lots were staffed to the extent possible with available budgeted or C.E.T.A. personnel only after revenue producing lots were covered.

SECURITY SERVICES

C.E.T.A. personnel were also vital in enabling Security Services to satisfy demands for patrol services during this biennial period. During 1977-79 thirty C.E.T.A. Security Officers covered unbudgeted patrol assignments: roughly twenty per cent of the total Mechanical patrol assignments. Had the C.E.T.A. program been curtailed or discontinued, coverage would have been unavailable for many assignments. Even with C.E.T.A., 1978-79 Security workload demands required the shuffling of assignments and the reduction of coverage to the lowest possible level on all but high risk assignments. In extremes, unbudgeted assignments were covered by a combination of paid overtime and by reducing coverage at other beat locations.

In 1978-79, the Security Services Division introduced Radio Telephone Operators to expand the use of the central monitoring system and to eliminate vendor contracts for intrusion alarm monitoring. Unfortunately, the dollar savings to the County by elimination of vendor contracts does not appear in the Division budget as a plus factor.

The Division is investigating the use of electronic equipment which permits the surveillance of large areas of multiple facilities from a central command post. In appropriate situations, this monitoring equipment makes it possible to assume greater workload responsibilities with no increase in staff.

POWER PLANT SERVICES

Workload growth increased in all major areas of Power Plant operations--steam generation, closed heating systems, refrigeration, water softening--in 1977-78. Several large projects undertaken during the period further contributed to growth of the County's vital energy resources. Major reconditioning at the Central Heating and Refrigeration Plant was completed in May 1979. Final inspection of the Rancho Los Amigos refrigeration project was made December 18, 1979. The Phase III Expansion at the Martin Luther King Hospital Plant is scheduled for completion in March 1980.

The O2 trim pilot program installation at Rancho Los Amigos Hospital Steam Plant, proved its worth with a savings in fuel amounting to $2,700 per month for the first five months of operation.

As a result of automation of the Biscailuz Center, Dorothy Kirby and Los Padrinos Plant, personnel staffing was revised. Required services are now provided by roving engineers. This action enabled the Division to reduce the

POWER PLANT SERVICES (continued)

number of Power Plant positions funded out of Salary Savings from twelve in FY 1977-78 to ten in FY 1978-79.

Previous cuts have virtually eliminated all apprentices and helpers in this program and have left the Division with the absolute minimum number of licensed engineers required to operate the Power Plants for which the Department has operational responsibility.

AUTOMOTIVE CRAFTS

The second major program of the Mechanical Department is also composed of three sub-programs. Vehicle Fleet Maintenance (II-A) is responsible for the purchase, modification, assignment, service, repair, and replacement of the County's vehicle fleet. Fire Equipment Maintenance (II-B) is responsible for the purchase, assignment, service, repair, and replacement of fire equipment. Off-Highway Equipment Maintenance (II-C) performs repair work required on County off-highway equipment.

VEHICLE FLEET MAINTENANCE (II-A)

This sub-program:

- assures that fleet vehicles are safe and mechanically sound
- keeps vehicles operating efficiently
- minimizes major breakdowns through preventive maintenance
- maintains a pool of daily use and relief vehicles for County departments' use
- inspects private ambulances
- provides bus and chauffeur services

Statistics

Costs and Appropriations	1977-78	1978-79
Appropriation	$9,877,365	$9,078,862
Costs Applied	8,850,852	8,301,496
Net Appropriation	1,026,513	777,366
Revenue	559,817	538,213
Net County Cost	466,696	239,153
Budgeted Positions	237.5	223.5

Unit Cost	1977-78	1978-79
Appropriation	$9,877,365	$9,078,862
Fleet Mileage	56,247,980	54,651,921
Fleet Mileage Cost	0.166/Mile	0.166/Mile
No. of Vehicles	6,331	6,357

FIRE EQUIPMENT MAINTENANCE (II-B)

This sub-program:

- assures that fire equipment is safe and mechanically sound

FIRE EQUIPMENT MAINTENANCE (II-B) (continued)

- keeps fire equipment operating efficiently

- provides structural repair and rebuilding of fire equipment

Statistics

Costs and Appropriations	1977-78	1978-79
Gross Appropriation	$872,170	$1,037,095
Costs Applied	39,067	86,828
Net Appropriation	833,103	950,267
Revenue	887,025	971,721
Net County Cost	(-53,922)	(-21,454)
Budgeted Positions	26	22.5

Unit Cost	1977-78	1978-79
Gross Appropriation	$872,170	$1,037,095
No. Fire Units Main.	331	338
Vehicle Unit Cost (Per Year)	$ 2,635	$ 3,068

OFF-HIGHWAY EQUIPMENT MAINTENANCE (II-C)

This sub-program:

- assures that off-highway equipment is safe and mechanically sound

- keeps off-highway equipment in use/ready condition

Statistics

Costs and Appropriations	1977-78	1978-79
Gross Appropriation	$1,121,483	$ 999,270
Costs Applied	854,814	896,198
Net Appropriation	266,669	103,072
Revenue	11,471	98,256
Net County Costs	255,198	4,816
Budgeted Positions	26	25

Unit Cost	1977-78	1978-79
Gross Appropriation	$1,121,483	$ 999,270
Off-Highway Equipment Maintained	988	2,500*

*Represents improved system of identifying pieces of equipment only. No increase in workload.

DISCUSSION

This Division started FY1977-78 with a total of 289.5 positions--down 27.9 positions from FY1976-77 staffing. In FY1978-79 Division strength was reduced to 271.0 positions. This was an additional loss of 18.5 positions. During this same period, the Estimated/Actual fleet mileage was 59,500,000 for FY1976-77; 56,247,980 for FY1977-78; and 54,651,921 for FY1978-79.

On the surface the reduction in workforce appears to be compensated to some extent by the reduction in fleet mileage. The actual picture is more complicated.

Budget policies during this period caused the retention of high mileage vehicles in the fleet beyond the guidelines established by the Board in 1968 for vehicle replacement. As these vehicles have become older, the frequency and cost of repair on them has increased and their safety and reliability has decreased.

While backlog problems, because of staff shortages, have existed in the Automotive Division for a number of years, they became increasingly serious during this report period with a consequent higher percentage of the County fleet inoperative at any given time. The situation became so serious that excessive use of overtime was employed to reduce the backlog. This emergency measure was only marginally effective in meeting workload demands which far exceed national standards for similar work performed elsewhere.

The combination of personnel shortages and the aggravated maintenance requirements of a rapidly-aging fleet caused the service level Automotive Crafts provided to the general fleet and off-highway equipment to drop to a dangerously low level, with the exception of emergency vehicles, to which the majority of our resources was committed because of the necessity to keep them operational.

During this reporting period, major measures were taken to maximize provision of vehicle services to the County. The Division underwent a comprehensive reorganization which resulted in broader functional control and supervision over each of its operations.

Also, the Division has partially implemented a computerized Fleet Management Program which provides better inventory, fuel issuance, and maintenance controls for the vehicle fleet. The Preventive Maintenance Module of this program results in more effective scheduling of routine vehicle maintenance and better utilization of available personnel and equipment.

Lack of personnel has prevented full implementation of this module. Full implementation will result in more productive use of the County's vehicle fleet and lesser life-cycle cost of fleet vehicles.

At present, the increased productivity resulting from these measures is offset by an inadequate vehicle replacement program. The funds available

in the FY1978-79 budget were insufficient to purchase all of the required replacements in the Sheriff's fleet and there were virtually no funds available to buy replacements for the remainder of the fleet. We have increased productivity of the workforce, but it cannot keep up with the increased service demands of general fleet vehicles, many of which have in excess of 100,000 miles on them.

The CAO and the Board of Supervisors have recognized the impact of fiscal restraints imposed in this Biennial period, and increased the motor vehicle replacement budget for 1979-80. This new amount (approximately $6,000,000) will allow some most critical replacements to take place.

BUSINESS MACHINES SERVICES

The objective of this program is to maintain, service, and repair business machines for all Los Angeles County Departments including special funded departments and special districts; to control vendor service contracts; and to receive, inspect, and approve all business machines purchased for County use.

This program:

- assures that County business machines are safe and mechanically sound
- keeps County business machines operating efficiently
- minimizes major breakdowns through preventive maintenance
- maintains a pool of business machines for temporary loan to County departments

Statistics

Costs and Appropriations	1977-78	1978-79
Gross Appropriations	$1,224,214	$1,362,449
Costs Applied	23,214	212,385
Net Appropriation	1,201,000	1,150,064
Revenue	44,328	216,930
Net County Cost	1,156,672	933,134
Budgeted Positions	62	55

Unit Cost	1977-78	1978-79
Appropriation	$1,224,214	$1,362,449
Total Machines	50,150	54,300
Machine Unit Cost (annual)	24.41	25.10
Machines per Budgeted Position	809	987

DISCUSSION

The Division experienced an increase in workload accompanied by a decrease in work force during the biennial period. In FY1977-78, the Division had 62 positions, the same numbers as in FY1976-77, but the FY1977-78 workload of business machines of all kinds was 50,150, an increase of 3,821 machines over the prior year. In FY1978-79, the Division had 55 positions, a loss of seven positions. The FY1978-79 workload increased to 54,300 machines, an additional 4,150 machines over FY1977-78.

In addition to increasing, the nature of the Division's workload changed during the period of this report. This was due to the purchase of more and more sophisticated electronic equipment for County use which had to be maintained by Division staff. Because this more complex equipment requires more sensitive tuning and alignment, the technical skills and training required to service such machines have increased disproportionately with the number of machines in use. The time required to service such machines is usually greater.

In 1977-79, in response to a Board order designed to reduce the theft of County business machines, the Division undertook the job of engraving some 34,000 business machines with County identification. It was necessary to divert a considerable amount of staff budgeted for machine maintenance to complete this major undertaking.

Reductions in the workforce, an increase in both the number and complexity of machines to be serviced plus the requirements of the County machine identification program severely limited Division ability to provide machine repair and maintenance to County departments and districts. As cutbacks in personnel and limitations on supplies became more severe, it became necessary to stop doing shop overhauls of various machines.

During this biennial period, the Division did not have the resources necessary to provide an across-the-board, cost-effective level of service for all business machines. To maximize the return from available personnel, Division management concentrated on recruiting technicians with the skills necessary to work on the more sophisticated electronic equipment in County use. The resulting ability to maintain this equipment in-house has enabled the Division to eliminate some of the most expensive type of vendor service agreements. This approach has also been extremely cost effective in terms of reduced operator downtime and extended machine life.

SUPPORT SERVICES

Operational support to the Department's line activities is provided by the following specialized units: Executive Offices, Budget and Management Services, Business, Employee Relations, Personnel Services, Safety, and Procurement and Stores.

EXECUTIVE OFFICE

During this biennial period the Executive Offices undertook the formidable task of developing and implementing a master plan encompassing not only the original 322 recommendations of the Mechanical Department Management Audit but other departmental objectives considered necessary for the successful redirection of a two thousand employee department. Several audit implementation plans were modified after a comprehensive review conducted by a special task force. Thirty-five master plans to achieve the major audit goals were the final result. As of June 30, 1979, 63 percent of the approved audit recommendations had been implemented and 21 percent were in progress. No action could be taken on many of the remaining recommendations until related systems modifications had been implemented.

One result of the executive effort was the Inventory Control Program. Initiation of this program included reorganizing the central warehouse by updating warehouse procedures, hours of operations, and security requirements. These actions have upgraded the supply and equipment inventories for which the Department is accountable. The Services and Supplies Expenditure Control Program was introduced at the same time. This program is a management tool for examining ongoing services and supplies expenditures and to insure that department units remain within budgetary limits. The new Cost Accounting Program provides valuable information on the costs of services to maintain various County facilities. One feature is the provision of billing to agencies like Publice Social Services, Mental Health and the County Librarian for services to these agencies which will in part be reimbursed to the County by the State and Federal governments.

BUDGET AND MANAGEMENT SERVICES DIVISION

This unit provides continuous administrative analysis of Department policies, organization, systems, and procedures. During this biennial period, the unit was and continues to be engaged in providing staff services to the Executive Office in the preparation of policies, systems, and procedures required to implement the overall reorganization of the Mechanical Department

BUDGET AND MANAGEMENT SERVICES DIVISION (continued)

Budget and Management Services has prime responsibility for the preparation and control of the Department budget. Both became considerably more complex upon passage of the Jarvis-Gann Amendment in June 1978. In prior years, the unit conducted major studies to justify fiscal expenditures required to improve the quantity, quality, and timeliness of services provided to County departments. After the Jarvis-Gann Amendment resulted in sharply reduced resources, the Mechanical Department attempted to continue providing its traditional services at a satisfactory level. A major activity of the unit during this period was the performance of studies to determine who would be hurt least by unavoidable reduction in services.

Due to stringent fiscal constraints prevalent during this biennial, it was also increasingly important that the unit control and audit expenditures to insure that the Department remained within its budget goals. Monthly expenditures were continuously analyzed and the Executive Staff was kept currently informed of the status, trends and implications of expenditures. Recommendations for actions to be taken in regard to curtailments and adjustments were also made on these matters.

BUSINESS DIVISION

Business Division provides accounting control over budget appropriations and material and property inventories; performs inventoy audits, inventory locator system audits, and cash audits; maintains payroll records for the Department and provides financial reports from accounting data. The Division pays the County utility bills for General Fund and Enterprise Fund departments for water, gas, electricity, and industrial waste water.

Several important operational changes were made during the period covered by this report. The Accounts Payable Unit of the Supply Services Division was transferred to Business Division as a result of internal reorganization.

An Inventory Control Section was created to implement the Inventory Control Program. Tighter control of supply and equipment inventories was thereby achieved.

The County Fuel Inventory Report previously handled by the Department of Purchasing and Stores became a responsibility of the Division.

Direct billing of Grant Programs and the conversion of the seven County hospitals to Enterprise Fund Accounting caused a significant increase in the Division billing workload. This activity provides valuable information on the costs of services which are in whole or part reimbursed to the County by the State and the Federal governments.

EMPLOYEE RELATIONS OFFICE

This office administers the Department's Employee Relations Program. It acts as the Department's representative in formal negotiations with employee organizations; is responsible for overall administration of the various memoranda of understanding applicable to the Department and handles processing of employee grievances filed with the Department. Of the 119 grievances filed in 1977-78, all but six were resolved at various levels within the Department. Of the 104 grievances filed in 1978-79, only four were not resolved within the Department.

PERSONNEL SERVICES

Recruitment, training, discipline, employee evaluations, employee files, and the implementation of established Affirmative Action goals are major concerns of the Department's centralized Personnel Services.

Although the number of authorized permanent positions decreased from 1,905 as of June 30, 1978 to 1,749 as of June 30, 1979, the recruitment workload was heavy. One thousand and thirteen incoming and 498 outgoing employees were processed along with 299 promotions. The number of authorized temporary employees increased from 10 at the beginning of the biennial period to 184 at the end of the period. Increased temporary employment was necessary to accelerate the hiring process in order to accomplish specific craft projects on schedule and because additional short-term projects were assigned to the Department.

The Department increased the number of employees on federally funded programs from 160 to 243 during the period. Heavy turnover in this group was due both to the number leaving County service and continuing attention to promoting successful participants to permanent County positions.

The Department carried on a vigorous program in the area of disciplinary actions. Personnel staff worked closely with line supervision to counsel employees and maintain conformity with departmental regulations. Formal disciplinary action was taken on 127 occasions resulting in 64 discharges and an additional 63 reductions or suspensions.

Replacement of journeymen in the major crafts was a problem in Personnel during this period. Prior to 1975-76, the Department had an effective apprenticeship program which provided a continual pool of trained personnel to fill behind journeymen who left the Department. This program was virtually eliminated when budget reductions required that the Department retain journeymen at the expense of apprentices because the Department could not afford to give up any of the remaining journeymen positions to fund apprentice items. During 1977-79, continual difficulties were encountered in finding journeymen Building Craftsmen, Automotive Mechanics, or Stationary Engineers willing to come to work for the salaries paid by the County.

SAFETY AND EMPLOYEE HEALTH SERVICES OFFICE

The Mechanical Department is one of the County's high risk operations because of the nature of the work performed. During this biennial period this office had the responsibility of administering the Department's entire Safety and Health Program. This involved the following duties:

- Acted as the County's representative in Cal/Osha inspections by the State Division of Industrial Safety.
- Conducted a productive Return-to-Work Program.
- Coordinated all Departmental activities with Workers' Compensation and Occupational Health Services.
- Performed Accident Prevention Facility Inspections throughout the County.
- Emphasized accident prevention.

The annual rate by accidents was 273 (163 lost-time industrials and 110 vehicles) during this biennial period which is a decrease of 23 from the previous Biennial Report.

Return to Work:

Number of Days Away from Work	Number of Days Away from Work
1977-78	1978-79
5,268	4,118

These figures indicate the success of our Return-to-Work Program during this period by showing a decrease of 1,150 work days away from work.

PROCUREMENT AND STORES

The Procurement and Stores Divisions were created and the Supply Services Division disbanded as the end result of the comprehensive reorganization of the purchasing, warehousing, inventory control, and equipment security activities of the Mechanical Department which was achieved during this biennial period. This all inclusive restructuring was carried through in a number of stages: certain major activities and events required to achieve departmental goals could not be acted upon until others had been implemented. The hiring freeze delayed the appointment of the personnel required to staff the new divisions. Changes had to be scheduled to take place in a way that did not hinder provision of ongoing services upon which client departments were dependent.

The first action taken was to transfer to the Supply Services Division the procurement functions performed by journeymen personnel in Building Crafts Support Services. At that time, Executive Management directed the development and implementation of a new comprehensive procurement policies and procedures system. Existing policies and procedures were modified and updated. When necessary, new policies/procedures were prepared. A specialized procurement manual was developed for persons involved in departmental procurement activities.

To provide stronger internal control, the Accounts Payable Unit was transferred from the Supply Services Division to the Business Division in December 1977. Supply Services Division gradually assumed direct control over all the decentralized procurement activities of the Department.

In July 1978 the Supply Services Division was disbanded and the Stores Division was separated from the Procurement Division to separate warehousing from procurement activities and to provide more effective management of warehouse operations. The branch warehouses and the main warehouse at Eastern Avenue are now all under one centralized inventory control. The main warehouse itself has been totally restructured around a new stock locator system. This system is being expanded to all branch warehouses.

For the most part, we now have in operation a cost-effective inventory management system that maintains economic stock levels and satisfies Building Craft user demands on a timely basis while reducing more expensive direct purchases from vendors. Duplication of stock inventories between Purchasing and Stores and the Mechanical Department is minimized.

Centralization and separation of the procurement and warehousing functions made it possible to put into effect and to maintain tighter controls in both activities. Restrictions on authority to initiate purchase orders and the use of blanket purchase orders, restrictions on requisition of warehouse stock materials and for tool issue and control are some examples. In the same vein, the system of annual physical inventories and timely reconciliation of physical counts versus inventory record differences has been reestablished.

Compliance with the Board Order of December 1977 to develop improved controls to minimize thefts and losses was part of the result. Needed physical security alterations including considerable rekeying has taken place in all locations where significant amounts of materials and tools are stored. An ID badge system has been introduced to restrict unauthorized entry into sensitive areas. As mentioned earlier, material issue controls have been tightened overall.

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